HOUSE BILL 2422 By Hargett

AN ACT to amend Tennessee Code Annotated, Title 62, Chapter 6, to enact the Home Inspector Licensing Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. As used in this act, unless the context requires otherwise:

- (1) "Associate Home Inspector" means an individual that contracts or sub-contracts to a licensed home inspector or is employed by a licensed home inspector to conduct a home inspection of a residential building on behalf of a licensed home inspector.
 - (2) "Board" means the Tennessee home inspector licensing board.
 - (3) "Compensation" means a fee for services.
- (4) "Home Inspection" means a physical examination reported in writing of visible defects or conditions that may adversely affect the function or integrity of one (1) or more of the following components of a residential building: heating system, cooling system, plumbing system, electrical system, foundation, structural components, roof, masonry structure, exterior components, interior components, or any other residential component be it structural, mechanical, or aesthetic.
- (5) "Home Inspector" means an individual who engages in the business of conducting residential home inspections for compensation.

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(6) "Residential Building" means a structure intended to be, or that is in fact, used as a residence by one (1) or more individuals.

SECTION 2.

- (a) The Tennessee home inspector licensing board is established in the department of commerce and insurance. The board shall consist of the commissioner of commerce and insurance or the commissioner's designee and seven (7) professional home inspectors in the state. Each appointee shall document his or her home inspection business for the past five (5) years, with a minimum of two hundred fifty (250) fee paid home inspections. These seven (7) home inspectors will be appointed as follows:
 - (1) Five home inspectors, two (2) of whom shall be appointed by the speaker of the senate, two (2) of whom shall be appointed by the speaker of the house of representatives, and one (1) of whom shall be appointed by the governor.
 - (2) Two (2) home inspectors appointed by the governor upon recommendation of the Home Inspectors of Tennessee Association.
 - (b) Each member of the board shall be a citizen of the state.
- (c) The board members shall be appointed for staggered terms and the initial appointments shall be made prior to January 1, 1999. The appointees shall hold office until December 31 of the year in which their respective terms expire and until their successors are appointed and qualified.
- (d) Of the members initially appointed, the home inspectors appointed by the governor shall serve a one (1) year term. The home inspectors appointed by the speaker of the house of representatives shall serve two (2) year terms. Home inspectors appointed by the speaker of the senate shall serve three (3) year terms.

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Thereafter, as the term of each member expires, a successor shall be appointed for a term of four (4) years.

(e) Vacancies in the board occurring for any reason shall be filled by the appointing official making the original appointment for the remainder of the unexpired term.

SECTION 3.

- (a) To be licensed as a home inspector, an applicant shall do all of the following:
- (1) Submit a completed application to the board upon a form provided by the board.
 - (2) Pass a licensing exam prescribed by the board.
- (b) Persons who have successfully completed the educational process for a certified graduate home inspector or master home inspector through Home Inspectors of Tennessee Association, Inc. at the time of the enactment of this act are exempt from the examination.
 - (3) Have a minimum net assets or a bond in an amount determined by the board. The amount may not be less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000).
 - (4) Pay all applicable fees as established by the board.
 - (5) Meet one (1) more of the following conditions:
 - (A) Have a high school diploma or its equivalent, have been engaged as a licensed associate home inspector for at least one (1) year, and have completed one hundred (100) home inspections for compensation.
 - (B) Have education and experience the board considers to be equivalent to that required by subdivision (A) of this section.

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(C) Have successfully completed the educational process for a certified graduate home inspector or master home inspector through Home Inspectors of Tennessee Association, Inc. at the time of the enactment.

SECTION 4. To be licensed as an associate home inspector, an individual shall do all of the following:

- (1) Submit a completed application to the board upon a form provided by the board.
 - (2) Pass a licensing exam prescribed by the board.
 - (3) Pay all applicable fees as established by the board.
 - (4) Have a high school diploma or its equivalent.
- (5) Be affiliated or intend to be affiliated with a licensed home inspector and submit a sworn statement by the licensed home inspector with whom the applicant is or intends to be affiliated certifying that the licensed home inspector will actively supervise and/or train the applicant.

SECTION 5. The provisions of this act shall not apply to:

- (a) An individual employed by a county, municipality, or political subdivision while engaged in the performances of the duties of his or her employment.
- (b) A registered professional engineer or architect engaged in the duties of his or her field of expertise.
- (c) An individual holding a valid license as a plumber, electrician, heating, refrigeration, building contractor, or other person providing that person's activity is limited to that activity authorized by his or her license or registration.

SECTION 6. Tennessee Code Annotated, Title 62, Chapter 6, Part 3, is amended by adding Sections 1 through 5 of this act.

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SECTION 7. The requirements of this act shall be in addition and supplemental to the provisions of Sections 62-6-301-62-6-304.

SECTION 8. For the purpose of appointing the members of the board, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 1999.

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